

COMMONWEALTH OF KENTUCKY
BEFORE THE PUBLIC SERVICE COMMISSION

In the Matter of:

THE NOTICE OF PURCHASED GAS)	
ADJUSTMENT FILING OF COLUMBIA)	CASE NO. 94-179-L
GAS OF KENTUCKY, INC.)	

O R D E R

On November 1, 1994, in Case No. 94-179, the Commission approved certain adjusted rates for Columbia Gas of Kentucky, Inc. ("Columbia") and provided for their further adjustment on a quarterly basis in accordance with its gas cost adjustment ("GCA") clause.

On October 30, 1997, Columbia filed its GCA to be effective December 1, 1997 through February 28, 1998.

After reviewing the record and being otherwise sufficiently advised, the Commission finds that:

1. Columbia's notice proposed revised rates designed to pass on its expected wholesale increase in gas costs. Columbia's proposed expected gas cost ("EGC") for the quarter beginning December 1, 1997 is \$4.0775.
2. Columbia's notice set out a rate for Banking and Balancing Service of 2.06 cents per Mcf.
3. Columbia's notice set out no take-or-pay refund adjustment.

4. Columbia's notice set out a transportation take-or-pay refund adjustment of .19 cent per Mcf.

5. Columbia's notice set out its annual actual cost adjustment ("ACA") of 19.69 cents per Mcf.

6. Columbia's notice set out its balancing adjustment ("BA") of 6.34 cents per Mcf.

7. Columbia's notice set out a current refund adjustment of .81 cent per Mcf to return to its customers supplier refunds of \$150,479 including interest. The total refund adjustment of 13.05 cents per Mcf reflects the current as well as previous quarter refund adjustments.

8. Columbia's notice set out a Special Agency Service refund adjustment of .01 cent per Mcf.

9. These adjustments produce a gas cost recovery rate ("GCR") of \$4.2072 per Mcf, 11.41 cents per Mcf more than the prior rate.

10. The revised rate adjustments in the Appendix to this Order are fair, just, and reasonable, in the public interest, and should be approved for gas supplied on and after December 1, 1997.

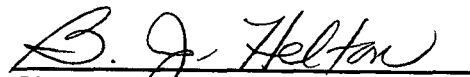
IT IS THEREFORE ORDERED that:

1. The rates in the Appendix to this Order are fair, just, and reasonable, and are effective for gas supplied on and after December 1, 1997.

2. Within 30 days of the date of this Order, Columbia shall file with this Commission its revised tariffs setting out the rates authorized in this Order.

Done at Frankfort, Kentucky, this 26th day of November, 1997.

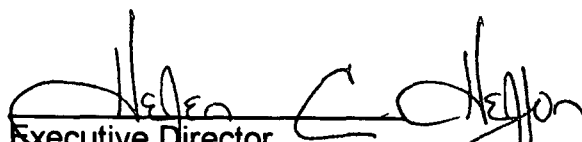
PUBLIC SERVICE COMMISSION


Chairman


Vice Chairman

Commissioner

ATTEST:


Executive Director

APPENDIX

APPENDIX TO AN ORDER OF THE KENTUCKY PUBLIC SERVICE COMMISSION IN CASE NO. 94-179-L DATED NOVEMBER 26, 1997

The following rates and charges are prescribed for the customers in the area served by Columbia Gas of Kentucky, Inc. All other rates and charges not specifically mentioned herein shall remain the same as those in effect under authority of this Commission prior to the effective date of this Order.

CURRENTLY EFFECTIVE BILLING RATES

	<u>Base Rate Charge</u>	<u>Gas Cost Demand</u>	<u>Adjustment Commodity</u>	<u>Total Billing Rate</u>
<u>SCHEDULE GSR</u>				
First 1 Mcf or less per mo.	\$ 8.10	\$ 1.2668	\$ 2.9404	\$12.3072
Over 1 Mcf per mo.	2.1800	\$ 1.2668	\$ 2.9404	6.3872
<u>RATE SCHEDULE GSO</u>				
Commercial or Industrial				
First 1 Mcf or less	22.00	\$ 1.2668	\$ 2.9404	26.2072
Next 49 Mcf per mo.	2.1800	\$ 1.2668	\$ 2.9404	6.3872
Next 350 Mcf per mo.	2.1149	\$ 1.2668	\$ 2.9404	6.3221
Next 600 Mcf per mo.	2.0149	\$ 1.2668	\$ 2.9404	6.2221
Over 1,000 Mcf per mo.	1.8409	\$ 1.2668	\$ 2.9404	6.0481
<u>Delivery Service</u>				
Administrative Charge	65.00			65.00
<u>Standby Service Demand Charge</u>				
Demand Charge times Daily Firm Vol. (Mcf) in Cust. Serv. Agrmt.		9.0034		9.0034
<u>Delivery Rate Per Mcf</u>				
First 400 Mcf per mo.	2.1149	.0019		2.1168
Next 600 Mcf per mo.	2.0149	.0019		2.0168
Over 1,000 Mcf per mo.	1.8409	.0019		1.8428
Former IN8 Rate per Mcf	1.0575	.0019		1.0594
Banking & Balancing Service		0.0206		0.0206

RATE SCHEDULE IS

<u>Customer Charge per mo.</u>	\$135.79			\$135.79
First 30,000 Mcf	.6368		\$2.9404	3.5772
Over 30,000 Mcf	.3384		2.9404*	3.2788

Standby Service Demand Charge

Demand Charge times Daily				
Firm Vol. (Mcf) in Cust.				
Serv. Agree.		9.0034		9.0034

Delivery Service

Administrative Charge	65.00			65.00
First 30,000 Mcf	0.6368	.0019		0.6387
Over 30,000 Mcf	0.3384	.0019		0.3403
Banking & Balancing Service		0.0206		0.0206

RATE SCHEDULE IUS

For all Volumes Delivered				
Each Month	.3539	1.2668	2.9404	4.5611

Delivery Service

Administrative Charge	65.00			65.00
Delivery Rate Per Mcf	.3539	1.2668		1.6207
Banking & Balancing Service		0.0206		0.0206

Mainline Delivery Service

Administrative Charge	65.00			65.00
Delivery Rate Per Mcf	0.1000			0.1000
Banking & Balancing Service		0.0206		0.0206

RATE SCHEDULE IN6 - INDUSTRIAL AND COMMERCIAL

Commodity Charge	1.7363	1.2668	2.9404	5.9435
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RATE SCHEDULE IN7 - SMALL COMMERCIAL

Commodity Charge	.5924	1.2668	2.9404	4.7996
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*IS customers may be subject to the demand gas cost, under the conditions set forth on Sheets 14 and 15 of this tariff.